

SECTION 3 QUICK SUMMARY

HAMILTON COUNTY PLANNING AND DEVELOPMENT

WHAT IS SECTION 3?

Section 3 of the Housing and Urban Development Act of 1968 recognizes that HUD funding typically results in projects/activities that generate new employment, training, and contracting opportunities. When these opportunities are created, Section 3 requires that preference is provided to low- and very low-income residents of the local community (regardless of race and gender), and the businesses that substantially employ them, for new employment, training, and contracting opportunities resulting from the HUD-funded project.

SECTION 3 GOALS

1. 30 percent (30%) of the aggregate number of new hires shall be Section 3 Residents;
2. 10 percent (10%) of all covered construction contracts shall be awarded to Section 3 Business Concerns.
3. 3 percent (3%) of all covered non-construction contracts shall be awarded to Section 3 Business Concerns.

Efforts to meet these goals must be made to the greatest extent feasible and all efforts taken must be documented accordingly.

DEFINITIONS

Section 3 Resident

A public housing resident or an individual who resides in the metropolitan area in which the Section 3 covered assistance is expended and who is considered to be a low- (80% of AMI) to very low-income (50% of AMI) person. Persons must be certified as Section 3 Residents to count toward the goals listed above. Certification lasts for a period of 3 years.

Income Limits 2016

# in Household	1	2	3	4	5	6	7	8
80% AMI (gross income)	\$39,600	\$42,250	\$50,900	\$56,550	\$61,100	\$65,600	\$70,150	\$74,650

Section 3 Business Concern

- 1) 51 percent (51%) or more of the business is owned by Section 3 Residents; or
- 2) 30 percent (30%) of the business's permanent, full-time employees are certified Section 3 Residents; or
- 3) The business provides evidence that it will subcontract in excess of 25 percent (25%) of the dollar award of all subcontracts to be awarded to qualified Section 3 Business Concerns.

Certification lasts for a period of 3 years.

COMPLIANCE REQUIREMENTS*

All contracts equal to or greater than \$50,000 must incorporate the Section 3 Clause (verbatim) [see 24 CFR Part 135.38]. All recipients submitting bids/proposals and all sub-grantees must submit a Section 3 Action Plan. This plan must include, at a minimum, the Certification of Intent to Comply, Checklist of efforts to comply with Section 3, and a Section 3 Summary Report which is to be submitted at the completion of the contract.

**Please refer to Hamilton County Planning and Development Section 3 Policies and Procedures for complete compliance requirements, forms, and detailed information. This document can be found by visiting the following link and then clicking on "Section 3 Policies, Procedures, and Action Plan": <http://www.hamiltoncountyohio.gov/pd/commdev/section3.asp>*

To access a database containing currently certified Section 3 businesses and residents please visit the following link: http://cincinnati-oh.gov/noncms/cdap/section3/viewapps/directory_searchpubnew2.cfm